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August 16, 2023

Ms. Jennifer Ashley  
 Attorney at Law  
 Salvi, Schostok & Pritchard, P.C.  
 161 North Clark Street  
 Suite 4700  
 Chicago, IL 60601

RE: Deanna Murphy

Dear Ms. Ashley:

The attached Medical Care Cost Summary reveals that the monies needed by Deanna Murphy for future health and medical care are stated in a range of \$2,510,526 to \$2,528,325 using a Spinal Cord Stimulator without lead replacement and in a range of \$2,629,869 to \$2,647,668 using a Spinal Cord Stimulator with lead replacement. The figures are stated in terms of present value, based upon the range of treatment options and treatment costs of the underlying life care plan prepared by Gary M. Yarkony, MD on August 15, 2023. These figures consider appropriate rates of interest and medical care increases in the areas of commodities and services.

The present value of Deanna Murphy's future health and medical care costs broken out by Dr. Yarkony's categories is shown in Figure 1.

**Figure 1 - Present Value of Medical Costs by Cost Category**

Cost Category	Present Value of Medical Costs	
	SCS without lead replacement	SCS with lead replacement
Medications		\$1,944,072
Additional Medical Care		\$53,398 to \$71,197
Spinal Cord Stimulator	\$434,714	\$554,057
Additional Lead Replacement Surgery		\$78,342
<b>Total Cost</b>	<b>\$2,510,526 to \$2,528,325</b>	<b>\$2,629,869 to \$2,647,668</b>

Table 1 examines the interrelationship over time between the rate of medical cost changes and the rate of interest. An inspection of the table reveals fluctuation over time. However, the

real rates remain relatively constant. Our present value calculation based on historical 60-year average assumes that similar trends will persist in the future.

Please advise if further information is desired.

Sincerely,  
VOCATIONAL ECONOMICS, INC.

For the Firm



David S. Gibson, MBA, MRC

/mg

Table 1

Source	Indices	Nominal or Real*	1962-2022	1972-2022	1982-2022	1992-2022	2002-2022	2012-2022
1a	All Items	Nom Real	3.9% -	4.0% -	2.8% -	2.5% -	2.5% -	2.5% -
1b	Medical Services	Nom Real	5.7% 1.7%	5.8% 1.7%	4.8% 1.9%	3.9% 1.4%	3.6% 1.1%	3.1% 0.6%
1c	Hospital & Related	Nom Real	7.3% 3.3%	7.4% 3.3%	6.2% 3.3%	5.2% 2.6%	5.1% 2.5%	3.9% 1.4%
1d	Commodities	Nom Real	3.6% -0.3%	4.3% 0.3%	3.7% 0.9%	2.4% -0.1%	2.1% -0.4%	1.5% -1.0%
1e	Professional Svcs.	Nom Real	4.8% 0.9%	4.7% 0.7%	3.8% 1.0%	2.9% 0.4%	2.4% -0.1%	1.9% -0.6%
2	Compensation	Nom Real	5.0% 1.1%	4.8% 0.8%	3.8% 1.0%	3.5% 1.0%	3.4% 0.9%	3.6% 1.1%
3	Interest	Nom Real	4.5% 0.6%	4.5% 0.5%	3.5% 0.7%	2.3% -0.2%	1.2% -1.3%	0.8% -1.7%

1 U.S. Bureau of Labor Statistics. 2022. Consumer Price Index, All Urban Consumers (CPI-U), U.S. City Average. Accessed February 2023. <http://data.bls.gov/cgi-bin/srgate>.

1a Use Series CUUR0000SA0.

1b Use Series CUUR0000SAM2.

1c Use Series CUUR0000SEMD. The Hospital Services index was first published in 1978. Prior years are imputed by the long-term relationship between Hospital Services and Medical Services.

1d Use Series CUUR0000SAM1.

1e Use Series CUUR0000SEMC. The Professional Services index was first published in 1967. Prior years are imputed by the long-term relationship between Professional Services and Physician Services.

2 U. S. Bureau of Labor Statistics. 2022. Major Sector Productivity and Costs Index: Business Sector, Hourly Compensation. Accessed February 2023. <http://data.bls.gov/cgi-bin/srgate> (use Series ID #: PRS84006103).

3 Federal Reserve Bank. 2022. 3-Month Treasury Bill Secondary Market Rate Discount Basis. Accessed February 2023. <https://www.federalreserve.gov/datadownload/Choose.aspx?rel=H15>.

\* Nominal rates represent the geometric mean of the change in indices from the beginning to the end of the respective periods. Real rates remove the general rate of inflation (All Items) from the nominal values.

## Life Care Plan for: Deanna Murphy

Attorney: Jennifer Ashley

Planner: Gary Yarkony

Rate	Anal	Duration	Yrs.	Frequency	Annual Cost	Current Cost	Present Value
			<div style="border: 1px solid black; padding: 5px;"> Present Age: 59  Life Expectancy: 25.6*  Age of Death: 84.6 </div>				

## Rates Used (Real)

Type	Abbr	Grow.	Disc.	Net.
General Inflation	CPI	0.0%	0.6%	0.60% Disc
Medical Services	MS	1.7%	0.6%	1.09% Grow
Hospital Services	HS	3.3%	0.6%	2.68% Grow
Medical Commodities	MC	-0.3%	0.6%	0.90% Disc
Professional Services	PRSV	0.6%	0.6%	0.00% Disc
Compensation	CMP	0.6%	0.6%	0.00% Disc

## Analyses Included

- 1 SCS - Procedure without lead replacement
- 2 SCS - Procedure with lead replacement

\* Arias, Elizabeth and Jiaquan Xu. National Vital Statistics Reports, vol. 70 no. 19, United States Life Tables, 2019. National Center for Health Statistics, U.S. Center for Disease Control and Prevention, Hyattsville, MD, 2022. <https://www.cdc.gov/nchs/data/nvsr/nvsr70/nvsr70-19.pdf> (accessed April 2022).

**Life Care Plan for: Deanna Murphy****Attorney: Jennifer Ashley****Planner: Gary Yarkony**

	Rate	Anal	Duration	Yrs.	Frequency	Annual Cost	Current Cost	Present Value
<b>Medications</b>								
Vyepti infusions 300mg	MC	All	Now to Life Expectancy	25.6	Annually	\$73,640.00	\$1,885,184	\$1,677,071
Ubrelvy 50 mg	MC	All	Now to Life Expectancy	25.6	Monthly	\$11,100.00	\$284,160	\$252,790
Cyclobenzaprine 10 mg	MC	All	Now to Life Expectancy	25.6	Monthly	\$360.00	\$9,216	\$8,199
Duloxetine 20 mg	MC	All	Now to Life Expectancy	25.6	Monthly	\$120.00	\$3,072	\$2,733
Ibuprofen	MC	All	Now to Life Expectancy	25.6	Monthly	\$144.00	\$3,686	\$3,279

**Medications Totals**

Analysis: All Analyses

Medical Commodities (0.90% Disc) \$2,185,318 \$1,944,072

**Life Care Plan for: Deanna Murphy****Attorney: Jennifer Ashley****Planner: Gary Yarkony**

	Rate	Anal	Duration	Yrs.	Frequency	Annual Cost	Current Cost	Present Value
<b>Additional Medical Care</b>								
Neuro, Pain Mgmt, Labs and Imaging	MS	All	Now to Life Expectancy	25.6	Annually	\$1,800.00 to \$2,400.00	\$46,080 to \$61,440	\$53,398 to \$71,197

**Life Care Plan for: Deanna Murphy****Attorney: Jennifer Ashley****Planner: Gary Yarkony**

	Rate	Anal	Duration	Yrs.	Frequency	Annual Cost	Current Cost	Present Value
<b>SCS - w/out lead replacement</b>								
Facility Insert Generator	MS	1	Now to Life Expectancy	25.6	3 Total Times During Span	\$7,031.25	\$180,000	\$208,585
Generator	MC	1	Now to Life Expectancy	25.6	3 Total Times During Span	\$7,031.25	\$180,000	\$160,129
Surgeon/Anesthesia	PRSV	1	Now to Life Expectancy	25.6	3 Total Times During Span	\$2,578.12	\$66,000	\$66,000

**SCS - w/out lead replacement Totals****Analysis: SCS - Procedure without lead replacement**

Medical Commodities (0.90% Disc)	\$180,000	\$160,129
Medical Services (1.09% Grow)	\$180,000	\$208,585
Professional Services (0.00% Disc)	\$66,000	\$66,000
	<b>\$426,000</b>	<b>\$434,714</b>

**Life Care Plan for: Deanna Murphy****Attorney: Jennifer Ashley****Planner: Gary Yarkony**

	Rate	Anal	Duration	Yrs.	Frequency	Annual Cost	Current Cost	Present Value
<b>SCS - with lead replacement</b>								
Facility Insert Generator	MS	2	Now to Life Expectancy	25.6	3 Total Times During Span	\$7,031.25	\$180,000	\$208,585
Generator	MC	2	Now to Life Expectancy	25.6	3 Total Times During Span	\$7,031.25	\$180,000	\$160,129
Insert Leads	MS	2	Now to Life Expectancy	25.6	3 Total Times During Span	\$3,798.05	\$97,230	\$112,671
Leads	MC	2	Now to Life Expectancy	25.6	3 Total Times During Span	\$292.97	\$7,500	\$6,672
Surgeon/Anesthesia	PRSV	2	Now to Life Expectancy	25.6	3 Total Times During Span	\$2,578.12	\$66,000	\$66,000

**SCS - with lead replacement Totals****Analysis: SCS - Procedure with lead replacement**

Medical Commodities (0.90% Disc)	\$187,500	\$166,801
Medical Services (1.09% Grow)	\$277,230	\$321,256
Professional Services (0.00% Disc)	\$66,000	\$66,000
	<b>\$530,730</b>	<b>\$554,057</b>

**Life Care Plan for: Deanna Murphy****Attorney: Jennifer Ashley****Planner: Gary Yarkony**

	Rate	Anal	Duration	Yrs.	Frequency	Annual Cost	Current Cost	Present Value
<b><i>Additional Lead Replacement</i></b>								
Additional Lead Replacement Surgery	MS	All	Now to Age 66	7	One Time	\$10,714.29	\$75,000	\$78,342

**Life Care Plan for: Deanna Murphy****Attorney: Jennifer Ashley****Planner: Gary Yarkony**

Rate	Anal	Duration	Yrs.	Frequency	Annual Cost	Current Cost	Present Value
<b><i>Analysis Totals</i></b>							
<b>Analysis: SCS - Procedure without lead replacement</b>							
					Medical Commodities (0.90% Disc)	\$2,365,318	\$2,104,201
					Medical Services (1.09% Grow)	\$301,080 to \$316,440	\$340,325 to \$358,124
					Professional Services (0.00% Disc)	\$66,000	\$66,000
					<b>Grand Total</b>	<b>\$2,732,398 to \$2,747,758</b>	<b>\$2,510,526 to \$2,528,325</b>
<b>Analysis: SCS - Procedure with lead replacement</b>							
					Medical Commodities (0.90% Disc)	\$2,372,818	\$2,110,873
					Medical Services (1.09% Grow)	\$398,310 to \$413,670	\$452,996 to \$470,795
					Professional Services (0.00% Disc)	\$66,000	\$66,000
					<b>Grand Total</b>	<b>\$2,837,128 to \$2,852,488</b>	<b>\$2,629,869 to \$2,647,668</b>